

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 3, 2023

UNITED COMMUNITY BANKS, INC.
(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction
of incorporation)

001-35095
(Commission
file number)

58-1807304
(IRS employer
Identification no.)

125 Highway 515 East, Blairsville, Georgia
(Address of principal executive offices)

30512
(Zip Code)

Registrant's telephone number, including area code:
(706) 781-2265

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Exchange on Which Registered
Common stock, par value \$1.00 per share	UCBI	Nasdaq Global Select Market
Depositary Shares, each representing 1/1000 th interest in a share of Series I Non-Cumulative Preferred Stock	UCBIO	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01 Completion of Acquisition or Disposition of Assets.

Closing of Merger with Progress Financial Corporation

Effective January 3, 2023 (the “*Effective Time*”), United Community Banks, Inc. (“*United*”) completed its previously-announced merger with Progress Financial Corporation (“*Progress*”), pursuant to an Agreement and Plan of Merger, dated as of May 3, 2022, by and between United and Progress (the “*Merger Agreement*”). Pursuant to the Merger Agreement, at the Effective Time, Progress merged with and into United (the “*Merger*”), with United as the surviving entity in the Merger. Immediately following the Merger, Progress’s wholly-owned subsidiary bank, Progress Bank and Trust, merged with and into United Community Bank, with United Community Bank as the surviving bank subsidiary of United.

Pursuant to the terms of the Merger Agreement, at the Effective Time, (i) each share of Progress common stock, \$1.00 par value per share (“*Progress Common Stock*”), issued and outstanding immediately prior to the Effective Time was converted into the right to receive 0.770 shares of common stock, \$1.00 par value per share, of United (“*United Common Stock*”), and (ii) each award in respect of a share of Progress Common Stock subject to vesting, repurchase or other lapse restrictions outstanding as of immediately prior to the Effective Time became fully vested and settled, as applicable, and was canceled and converted into the right to receive 0.770 shares of United Common Stock, with cash to be paid in lieu of any fractional shares of United Common Stock.

Also, at the Effective Time, each outstanding and unexercised option to purchase shares of Progress Common Stock vested, and at the option holder’s election was cancelled and converted automatically into the right to receive either (a) a cash payment equal to the product of (i) the excess, if any, of (x) the product of the 0.770 exchange ratio multiplied by \$33.76 over (y) the per share exercise price with respect to such stock option, multiplied by (ii) the number of shares of Progress Common Stock underlying such option, or (b) an option to purchase a number of shares of United Common Stock equal to 0.770 multiplied by the number of shares of Progress Common Stock subject to such option, with an exercise price equal to the exercise price per share of such stock option divided by 0.770. As a result of the elections made by holders of options to acquire shares of Progress Common Stock, United (1) paid approximately \$443,000 to extinguish outstanding options to acquire Progress Common Stock, and (2) issued approximately 643,000 stock options with respect to United Common Stock.

The Merger Agreement also provides that upon completion of the Merger, the officers and directors of United as of immediately prior to the Effective Time will continue to serve as the directors and officers of the surviving entity from and after the Effective Time. Additionally, effective January 3, 2023, David L. Nast became and will serve as United Community Bank’s State President, Alabama and Florida Panhandle.

In connection with the Merger, United issued approximately 8,771,000 shares of United Common Stock, which had a value of approximately \$296.4 million based on the closing price of United Common Stock on December 30, 2022. Each share of United Common Stock outstanding prior to the Merger remained outstanding and unaffected by the Merger.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is incorporated herein by reference to Exhibit 2.1.

Item 8.01 Other Events.

On January 3, 2023, United issued a press release announcing the closing of the Merger. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K, and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits** The following exhibit index lists the exhibits that are either filed or furnished with this Current Report on Form 8-K.

EXHIBIT INDEX

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of May 3, 2022, by and between United Community Banks, Inc. and Progress Financial Corporation (incorporated by reference to Exhibit 2.1 to United Community Banks, Inc.’s Current Report on Form 8-K filed on May 4, 2022)*
99.1	Press Release of United Community Banks, Inc. dated January 3, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

*Schedules and similar attachments have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant will furnish supplementally a copy of any omitted schedules or similar attachment to the SEC upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED COMMUNITY BANKS, INC.

By: /s/ Jefferson L. Harralson
Jefferson L. Harralson
Executive Vice President and
Chief Financial Officer

Date: January 4, 2023



For Immediate Release

For more information:

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**UNITED COMMUNITY BANKS, INC. ANNOUNCES COMPLETION OF MERGER WITH
PROGRESS FINANCIAL CORPORATION**

GREENVILLE, SC – January 3, 2023 – United Community Banks, Inc. (NASDAQ: UCBI) (United) completed its merger with Progress Financial Corporation (Progress), effective January 3, 2023. In this transaction, Progress’s bank subsidiary, Progress Bank and Trust, was merged into United’s bank subsidiary, United Community Bank. Progress will now operate under the United brand.

Progress is headquartered in Huntsville, Alabama and operates a 14-branch network in Alabama markets including Birmingham, Daphne, Decatur, Florence and Tuscaloosa; and on the Florida Panhandle from Destin to Panama City. Progress has organically built a valuable franchise with a focus on providing excellent service and growing deep customer relationships in its fast-growing southeastern markets. As of September 30, 2022, Progress reported total assets of \$1.7 billion, total loans of \$1.4 billion, and total deposits of \$1.5 billion.

“We are very pleased and grateful to be able to welcome this group of talented bankers to the United team. Progress has a culture much like ours with a commitment to community engagement, customer service, and the employee experience,” said Lynn Harton, Chairman and Chief Executive Officer of United. “Chairman and Chief Executive Officer David Nast founded Progress in 2008 with a goal of providing the products and services of a larger bank, but with the attention and local service that customers deserve—the same model we strive to execute at United. We look forward to continuing to grow together.”

Mr. Nast stated, “We are excited to be joining United, where we can continue with our founding principles and dedication to community service and relationship banking. We have growth opportunities, including many from new offices and markets added over the past two years, that we know will accelerate with United. Our partnership provides us the immediate benefit of being able to better serve our customers with a larger balance sheet and expanded products and services. I am proud to be a part of the United team and look forward to leading the Alabama and Florida Panhandle markets.”

Piper Sandler & Co. acted as financial advisor to United, and Nelson Mullins Riley & Scarborough LLP served as United’s legal advisor. Stephens Inc. served as financial advisor to Progress, and Maynard Cooper & Gale, PC served as Progress’ legal advisor.

About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) provides a full range of banking, wealth management and mortgage services for relationship-oriented consumers and business owners. As of September 30, 2022, and including Progress, United had \$25.4 billion in assets and 207 offices in Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee, along with a national SBA lending franchise and a national equipment lending subsidiary. The company, known as "The Bank That SERVICE Built," has been recognized nationally for delivering award-winning service. In 2022, J.D. Power ranked United highest in customer satisfaction with consumer banking in the Southeast, marking eight out of the last nine years United earned the coveted award. Forbes recognized United as one of the top ten World's Best Banks in 2022. Forbes also included United on its 2022 list of the 100 Best Banks in America for the ninth consecutive year. United also received ten Greenwich Excellence Awards in 2021 for excellence in Small Business Banking and Middle Market Banking, including national awards for Overall Satisfaction and Likelihood to Recommend. United was also named one of the "Best Banks to Work For" by American Banker in 2022 for the sixth consecutive year based on employee satisfaction. Additional information about United can be found at www.ucbi.com.

Caution About Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In general, forward-looking statements usually may be identified through use of words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology, and include statements related to expected returns and other benefits of the merger to shareholders, expected improvement in operating efficiency resulting from the merger, estimated expense reductions resulting from the merger and the timing of achievement of such reductions, the impact on and timing of the recovery of the impact on tangible book value, and the effect of the merger on United’s capital ratios. Forward-looking statements are not historical facts and represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements.

Factors that could cause or contribute to such differences include, but are not limited to (1) the risk that the cost savings and any revenue synergies from the merger may not be realized or take longer than anticipated to be realized, (2) disruption from the merger of customer, supplier, employee or other business partner relationships, (3) reputational risk and the reaction of each of the companies’ customers, suppliers, employees or other business partners to the merger, (4) risks relating to the integration of Progress’s operations into the operations of United, including the risk that such integration will be materially delayed or will be more costly or difficult than expected, (5) risks associated with United’s pursuit of future acquisitions, (6) the risks associated with expansion into new geographic or product markets, and (7) general competitive, economic, political and market conditions. Further information regarding additional factors which could affect the forward-looking statements can be found in the cautionary language included under the headings “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in United’s Annual Report on Form 10-K for the year ended December 31, 2021, and other documents subsequently filed by United with the U.S. Securities and Exchange Commission.

Many of these factors are beyond United's and Progress's ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the underlying assumptions prove to be incorrect, actual results may differ materially from the forward-looking statements. Accordingly, shareholders and investors should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this communication, and neither United nor Progress undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for United or Progress to predict their occurrence or how they will affect United or Progress.

United and Progress qualify all forward-looking statements by these cautionary statements.